8: Black S-4 (no date) 1954 El Europe El



178 iron as well as consumer goods and benefited by the large
433 market that the empire provided. Significant industrial development also took place in Hungary and in other parts of the empire. Similarly, in Russian Poland important industries were developed, but these suffered from the discriminatory policy of the Russian government and from the lack of communications.

•457 Capital for the economic development of this region came
471 chiefly from France until the 1890's, when German and Austrian capital became increasingly active. In Eastern Europe in general, and particularly in the Balkans, loans had as much a political as an economic incentive. Since the credit of Serbia, Bulgaria, and Rumania was poor, the bondholders were able to insist on a variety of controls to assure payment. Although a substantial amount of this capital was used to finance armament and eventually wars, investments of permanent value were also made. Notable among these was the railroad from Vienna to Constantinople, completed in 1888, which with its branches formed the backbone of the transportation system of Southeastern Europe.

## III

186 Collective security and economic interdependence, as
631 these terms are understood today, were certainly among the motives of the various plans for regional organization proposed for Eastern Europe in the century before the First World War. Yet the nineteenth century was for Europe an age in which war was the exception rather than the rule and national frontiers were not the barriers to trade and to the movements of peoples that they have since become. Although motives of power politics in the modern sense were always present, regionalism in this era was also concerned